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T O P S E C R E T

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INFORMAL MINUTES OF A SPECIAL MEETING OF THE INTERDEPARTMENTAL
FOREIGN INFORMATION ORGANIZATION CALLED AT THE REQUEST OF
[REDACTED] ON THURSDAY OCTOBER 12, 1950, IN OFFICE OF DIRECTOR

PRESENT: Department of State - Mr. Barrett, Director
Mr. Stone, Executive Secretary
Mr. Hulten
Department of Defense - General Magruder
Joint Chiefs of Staff - Admiral Stevens
Central Intelligence Agency - [REDACTED] 25X1A
Department of the Army - General McClure
Economic Cooperation Administration - Mr. Drummond

Birdsall

The meeting was called at the request of [REDACTED] to 25X1A
consider certain foreign information activities of ECA in a
category which requires careful coordination with State
Department and OPC.

25X1A Mr. Barrett stated that the meeting was convened primarily
at the suggestion of [REDACTED] in order that ECA might explain
its activities which verge in the grey and dark grey psycho-
logical warfare fields. Mr. Barrett suggested that [REDACTED]
might state the extent and interest of his organization and
might make such proposals as he saw fit in the circumstances. 25X1A

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[REDACTED] stated that OPC was interested primarily in
learning what had been the past activities of ECA in this field
generally and were concerned also to know their future inten-
tions in order that the interests of the U. S. Government were
effectively and adequately discharged and to provide also for
a working relationship which could insure specialization in each
of our respective fields and which also would enable us to
coordinate appropriately when genuine questions arose as to the
appropriate method for implementation.

25X1A [REDACTED] also pointed out that it was not his concern to
raise a jurisdictional issue but that he wished to secure if
possible an adequate statement of the problem and to reach some
kind of agreement as to its future treatment. He then outlined
certain broad principles which might serve as a basis for an
understanding as to a proper division of effort as between State,
ECA, and OPC, that the overt dissemination of propaganda was con-
spicuously the role of ECA and the Department of State, and that
OPC should have nothing to do with this type of activity. On the
other hand he mentioned three categories of activity which should
be the sole province of OPC; viz.,

1. Those operations as to which if the United States interest
were exposed would result in serious diplomatic

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Representations and embarrassment to the United States

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Government;

2. Operations in which exposure might prejudice the media and thereby preclude effective future use of what otherwise would be desirable channels for dissemination;
3. Cases where the effectiveness of the operations themselves would be materially prejudiced if U. S. 25X1A sponsorship or assistance were to become known. 25X1A

[] cited also what he termed an "in-between field" which could not be fully "sorted out" but which would require cooperation and collaboration, with a determination to be made on the merits of each case. [] suggested that the agency which was most capable and in position most effectively to do the best job should undertake the operation if within this middle field.

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Mr. Drummond responded by stating that he was most interested in the exposition which [] had made and that he was particularly interested in the phrase, "getting the job done." Mr. Drummond stated that he was opposed to having so much coordination as to preclude the effective conduct of operations. He cited the fact that ECA had undertaken a successful attempt at what he termed "double decentralization." This latter arrangement he indicated provides for considerable autonomy at the operating level in ECA and thereby it might be somewhat difficult to arrange for complete coordination. Mr. Drummond pointed out that ECA has conducted approximately 80 percent of its informational activity by promoting or subsidizing indigenous groups or media and that by so doing they consider this is one of the most effective phases of their activity, and this represents to them a major precept.

Mr. Drummond also stated that his office in Paris had not been heretofore approached by an OPC representative, that they would welcome the opportunity to present projects for OPC handling and consideration but that ECA would like in any case to retain sufficient flexibility to get a project handled if OPC were disinterested. Mr. Drummond cited the example of a desire on the part of the ECA Information Office in Paris to support the magazine "European Union" in London which is to be published by the European Movement.

In response to a query, Mr. Drummond replied that the informational activity of ECA in the past and in the future goes quite far beyond the presentation of materials on the Marshall Plan and the representation of Marshall Plan activity in its most favorable light. Mr. Drummond cited also that there is hardly an aspect of the present United States interest in Western Europe, and indeed elsewhere in the whole world, which is not of some concern to the ECA Information Offices. Mr. Drummond cited the example of the issuance in Europe of posters

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on the Korean war immediately following United States action in this connection. He stated that their informational materials as issued followed the guidances provided by the State Department.

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The question of subsidy was next discussed briefly. []

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[] stated that generally speaking he felt that the field of subsidy through placement of subscriptions should be preempted by ECA and the State Department. Both ECA and State Department representatives present asserted that one of their practices in the past had been to provide subsidy when indicated and desirable by placing relatively large orders for subscriptions with already established publications. It was agreed however that in the field of subsidy it would be desirable for ECA, State, OPC to exchange information in order that we might preclude double subsidization.

Mr. Drummond pointed out that we might find some difficulty in coordination in Washington solely because of the extent of autonomy possessed by the ECA country missions and suggested that a further useful point of coordination would be in Paris in his office (Office of the Special Representative, ECA).

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[] set forth two types of operation which he considered were generally not in the OPC field. He stated that we should not generally speaking subsidize the production of movies. He also stated that he thought it inadvisable for OPC henceforth to subsidize any American owned, operated and controlled publications abroad. As a general proposition, the effort at covert activity of this kind is largely vitiated by the fact that the enterprise is conspicuously an American enterprise, and as such quite generally discounted as biased.

Mr. Drummond indicated that ECA has close working relationships with various trade union organizations in France and Italy through their trade union committees and mentioned that his office had from time to time considered subsidization of assistance to them. [] responded that this was an extremely sensitive and difficult field and that it would be his strong recommendation that ECA not engage in the financial subsidy of trade unions abroad.

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In connection with the subject under discussion a general test or rule of thumb was proposed: Is the projected activity or operation in the interest of the Government to undertake or to continue? If the question can be answered affirmatively, then which organization would be able to undertake the operation with the least trouble and to execute it in the most efficient and effective and secure (if applicable) fashion?

Assistant Secretary Barrett made reference to the paper entitled "A Suggested Working Distinction Between Covert and Covert Psychological Warfare Activity" which OPC presented to the Department of State some weeks ago in an attempt to reach

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agreement on a delineation of functions and responsibility. Mr. Barrett indicated that State Department agreement with this paper would be immediately forthcoming. Mr. Barrett also suggested that this paper might well form the basis of understanding as between ECA, State and OPC. He suggested that the draft agreement would be submitted to ECA for their consideration and approval. Mr. Drummond indicated that such an arrangement would be entirely satisfactory and that ECA would be pleased to consider this paper as a basis for a working understanding and agreement.

Mr. Drummond emphasized his opinion as to the desirability on establishing in Paris a coordinating committee which could include Mr. Cody, Mr. Drummond, and an OPC representative. This coordinating group would be concerned with matters affecting the European interests of ECA generally. It would stem from the interests of the Office of the Special Representative, ECA. Mr. Drummond would subsequently like to see established also some kind of committee or other mechanism for coordinating on the country level. In connection with France he suggested that the committee could consist of Helen Kirkpatrick, ECA; Cody, Department of State; an OPC representative to be designated. Mr. Barrett and [redacted] agreed to the soundness of these suggestions, and [redacted] stated that he was ready now to [redacted]

In connection with a discussion of the sensitivity possessed by certain projects [redacted]

State Department representatives present that such would be the procedure followed by them.

Admiral Stevens during the course of the discussion suggested that one further test of the question of subsidization in connection with the purchase of subscriptions or publications might be whether the commodity was purchased on the open market at a fair price. The agencies engaged in overt propaganda could safely engage in this form of subsidy if there were a merchantable produce to be purchased at or near the market price.

At the conclusion of the discussion, it was generally agreed:

- (1) That the memorandum of agreement between OPC and the Department of State defining their respective roles in the grey field would be passed by State to ECA for the latter's consideration and approval.

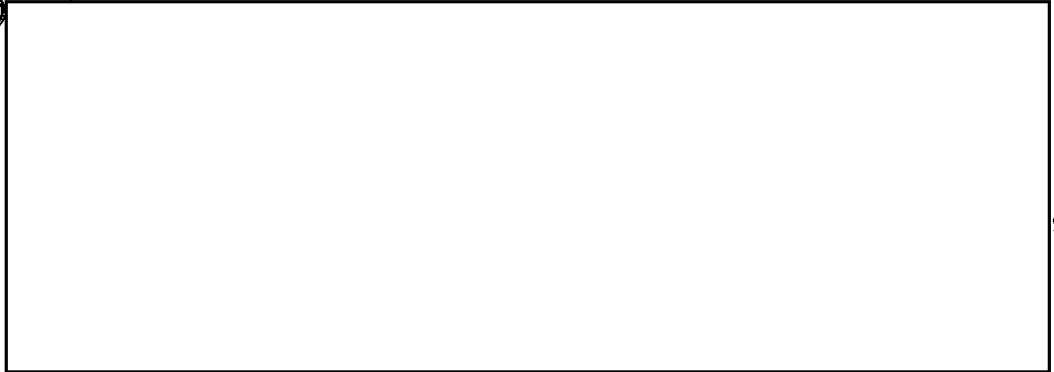
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